

Canadian Interior Designers Explore Czech Furniture and Design

At the end of September, a delegation of interior designers from Canada visited the Czech Republic. This initiative was organized by the Cluster of Czech Furniture Manufacturers (KČN) in collaboration with the Consulate General of the Czech Republic in Toronto as part of an economic diplomacy support project co-financed by the Czech Ministry of Industry and Trade and KČN. The Canadian experts were introduced to a wide range of Czech creative industries, spanning handmade and mechanized furniture production to glassmaking and contemporary design. This inaugural mission paves the way for future collaboration and exports to the growing Canadian market.

The Canadian project partner, the Interior Designers of Canada (IDC) association, represents over 5,000 professionals across Canada. The profession in Canada aligns closely with architectural studio services, making IDC's collaboration with Czech companies a gateway to commercial and residential development projects. Indirectly, it could also boost retail sales. The delegation, which included representatives from IDC and selected design studios from both Western and Eastern Canada, spent a week visiting Czech furniture companies such as TON, NADOP-VÝROBA NÁBYTKU, Dřevojas, and the Woodworking Cooperative Lukavec. They also toured the Textile Testing Institute, which performs furniture testing, and met with other members of the Cluster of Czech Furniture Manufacturers.

In Prague, the delegation participated in the For Interior trade fair, showcasing the full range of Czech furniture offerings, and attended Designblok, including meetings with selected companies. Their schedule also featured visits to Archicraft Studio and the Center for Architecture and Urban Planning (CAMP), along with tours of historical buildings like Hotel Avion in Brno, the Müller Villa, the Diamond House, and other architectural landmarks.

The long-term partnership with IDC builds on the previous Furniture Go International project, supported by the European Commission. Over the past two years, KČN and the Consulate General established contacts and held initial meetings in Canada. Canada, and North America more broadly, are promising markets for Czech exports due to growth in the construction sector and demand for high-quality goods. However, sustained efforts to build relationships and references are typically critical for success in the Canadian market, which is why personal presentations of Czech production quality are a strategic focus.

The incoming mission will be followed by additional opportunities, such as promoting Czech design at the Interior Design Show in January 2025. Czech companies can also participate in the December Buildings Show, the Toronto Fall Home Show, Buildex Vancouver, the AZURE Human/Nature Conference, and other events.

The prospects for exports to Canada are closely linked to the ongoing construction boom, driven in part by a nationwide housing crisis. This trend is expected to accelerate construction at least through the mid-2030s. In 2023, Canada's construction sector saw investments totaling CAD 300 billion, with

more than 68,000 homes started in six major cities during the first half of 2024—a level not seen since 1990. Yet, new capacity still falls short of meeting demand, requiring continued growth in housing construction to accommodate a population rapidly expanding due to managed immigration policies in recent years.

Housing affordability has become a critical political issue in Canada, and the Bank of Canada has begun lowering interest rates to address strong housing demand. Rental housing also increased by 2.5% to 49,117 units in the first half of 2024 compared to the previous year. In commercial spaces, the rise of remote work among administrative professionals has led to changes in demand. Currently, about 20% of the Canadian workforce performs most of their tasks remotely. However, previously approved commercial building projects continue, and the vacancy rate for commercial spaces rose to 18% due to the completion of 16 million square meters of office space in major cities like Toronto and Vancouver between 2021 and 2023. A slight decrease in vacancy rates is anticipated in the coming years.

The interior design segment, driven by residential and commercial construction, is expected to grow by more than 5% annually through at least 2025. Foreign companies control 14.9% of the sector, which includes interior design and construction services. In 2023, the Canadian furniture market was valued at CAD 23 billion, with projections to reach CAD 37 billion by 2032. The largest segments include kitchen furniture (CAD 7 billion in 2021) and bedroom furniture (CAD 5 billion).

Similar to other export areas, Canada's furniture market is closely tied to its southern neighbor, with 95% of Canadian furniture exports destined for the United States. Nonetheless, there is room for Czech exports in Canada, as European production symbolizes quality and Czech products, including design-oriented furniture, solid wood items, technological innovations, and mass supplies for large development projects, remain competitive.

Source: KČN, Statistics Canada, Consulate General of the Czech Republic in Toronto